

**271B.7-040 Action without meeting. (Effective until contingency met)**

- (1) Except as provided in the articles of incorporation, action required or permitted by this chapter to be taken at a shareholders' meeting may be taken without a meeting and without prior notice, except as provided in subsection (8) of this section, if the action is taken by all the shareholders entitled to vote on the action.
- (2) If the articles of incorporation so provide, any action except the election of directors pursuant to KRS 271B.7-280 required or permitted by this chapter to be taken at a shareholders' meeting may be taken without a meeting and without prior notice, except as provided in subsection (8) of this section, if the action is taken by shareholders entitled to vote on the action representing not less than eighty percent (80%), or such higher percentage required by this chapter or the articles of incorporation, of the votes entitled to be cast.
- (3) The action taken under this section shall be evidenced by one (1) or more written consents describing the action taken, signed by the shareholders taking the action, and delivered to the corporation for inclusion in the minutes or filing with the corporate records.
- (4) Action taken under this section shall be effective when consents representing the votes necessary to take the action under this section are delivered to the corporation, or upon delivery of the consents representing the necessary votes, as of a different date if specified in the consent.
- (5) Any shareholder giving a consent may revoke the consent by a writing received by the corporation prior to the time that consents representing the votes required to take the action under this section have been delivered to the corporation but may not do so thereafter.
- (6) A consent signed under this section shall have the effect of a meeting vote and may be described as such in any document.
- (7) Prompt notice of the taking of any action by shareholders without a meeting under this section by less than unanimous written consent shall be given to those shareholders entitled to vote on the action who have not consented in writing.
- (8) If this chapter requires that notice of proposed action be given to nonvoting shareholders and the action is to be taken by consent of the voting shareholders under this section, the corporation shall give its nonvoting shareholders and voting shareholders whose consent is not solicited, written notice of the proposed action at least ten (10) days before the action is taken. The notice shall contain or be accompanied by the same material that, under this chapter, would have been required to be sent to nonvoting shareholders in a notice of meeting at which the proposed action would have been submitted to the shareholders for action.

**Effective:** July 15, 2002

**History:** Amended 2002 Ky. Acts ch. 102, sec. 14, effective July 15, 2002. -- Created 1988 Ky. Acts ch. 23, sec. 52, effective January 1, 1989.

**271B.7-040 Action without meeting. (Effective November 15, 2002, if contingency met)**

- (1) Except as provided in the articles of incorporation, action required or permitted by this chapter to be taken at a shareholders' meeting may be taken without a meeting and without prior notice, except as provided in subsection (8) of this section, if the action is taken by all the shareholders entitled to vote on the action.
- (2) If the articles of incorporation so provide, any action except the election of directors by cumulative voting pursuant to KRS 271B.7-280 required or permitted by this chapter to be taken at a shareholders' meeting may be taken without a meeting and without prior notice, except as provided in subsection (8) of this section, if the action is taken by shareholders entitled to vote on the action representing not less than eighty percent (80%), or such higher percentage required by this chapter or the articles of incorporation, of the votes entitled to be cast.
- (3) The action taken under this section shall be evidenced by one (1) or more written consents describing the action taken, signed by the shareholders taking the action, and delivered to the corporation for inclusion in the minutes or filing with the corporate records.
- (4) Action taken under this section shall be effective when consents representing the votes necessary to take the action under this section are delivered to the corporation, or upon delivery of the consents representing the necessary votes, as of a different date if specified in the consent.
- (5) Any shareholder giving a consent may revoke the consent by a writing received by the corporation prior to the time that consents representing the votes required to take the action under this section have been delivered to the corporation but may not do so thereafter.
- (6) A consent signed under this section shall have the effect of a meeting vote and may be described as such in any document.
- (7) Prompt notice of the taking of any action by shareholders without a meeting under this section by less than unanimous written consent shall be given to those shareholders entitled to vote on the action who have not consented in writing.
- (8) If this chapter requires that notice of proposed action be given to nonvoting shareholders and the action is to be taken by consent of the voting shareholders under this section, the corporation shall give its nonvoting shareholders and voting shareholders whose consent is not solicited, written notice of the proposed action at least ten (10) days before the action is taken. The notice shall contain or be accompanied by the same material that, under this chapter, would have been required to be sent to nonvoting shareholders in a notice of meeting at which the proposed action would have been submitted to the shareholders for action.

**Effective:** November 15, 2002, if contingency met

**History:** Amended 2002 Ky. Acts ch. 102, sec. 15, effective November 15, 2002, if contingency met. -- Created 1988 Ky. Acts ch. 23, sec. 52, effective January 1, 1989.

**Legislative Research Commission Note** (11/15/02). 2002 Ky. Acts ch. 102, sec. 22, provides that this section "shall take effect November 15, 2002, if a constitutional amendment proposing to amend Sections 190, 191, 192, 193, 194, 195, 198, 200, 202, 203, 205, 207, and 208 of the Constitution of Kentucky relating to corporations is enacted by the General Assembly and approved by the voters in the November, 2002 general elections. Otherwise, [this section] shall be void."

A constitutional amendment proposing to amend 11 of those 13 sections of the Constitution was enacted by the General Assembly and approved by the voters. During the 2002 Regular Session, the General Assembly enacted 2002 Ky. Acts ch. 341, which proposed to amend Sections 190, 191, 192, 193, 194, 198, 200, 202, 203, 207, and 208 of the Constitution of Kentucky. The voters approved that amendment in the November, 2002 general elections.